



## California Kidney Punches Taxpayers

Michelle Steel, Board of Equalization Member

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This is from the **Honorable Michelle Steel, elected member of the State Board of Equalization...**

*California is down and out when it comes to hosting one of the biggest boxing matches of the year. The [Los Angeles Times](#) recently reported that Manny Paquiao's business manager advised him against fighting in California because of high taxes. For those of you not familiar with boxing; Paquiao is currently the [WBO World welterweight champion](#), [IBO](#) and [Ring Magazine light welterweight](#) champion, and is rated by Ring Magazine as the #1 pound-for-pound boxer in the world.*

*Paquiao's manager calculated the boxer would lose \$3.5 to \$5 million of his winnings to the state's 10.55% income tax rate if his March fight against Floyd Mayweather Jr. were held in California. That means a loss of millions to the city of Los Angeles, where agents for the two boxers were negotiating with the Staples Center to host the match.*

*This big fight would generate \$10 to \$15 million in Las Vegas according to a city official there. For a city like Los Angeles with a \$98 million budget gap, that would've been helpful. But like everyone else these days, boxers have learned: If you want to keep the money you earn, stay out of California.*

*Like Joel Fox of the Small Business Action Committee said on [Fox and Hounds Daily](#): "High tax rates clearly have an impact on where high-income earners live and where they work. Even if that work consists of one hour or so enclosed in a boxing ring." How can we expect high earners to come to California when our policy makers keep hitting below the belt?*